

# UNITED NATIONS DEVELOPMENT PROGRAMME



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## Country and intercountry programming and projects

### COUNTRY PROGRAMME FOR THE PEOPLE'S REPUBLIC OF THE CONGO

UNDP assistance requested by the Government of the People's Republic  
of the Congo for the period 1981-1986

#### Contents

|                                                                         | <u>Page</u> |
|-------------------------------------------------------------------------|-------------|
| INTRODUCTION . . . . .                                                  | 2           |
| I. FEATURES OF THE PROGRAMME . . . . .                                  | 3           |
| II. DEVELOPMENT GUIDELINES AND GUIDELINES FOR UNDP ASSISTANCE . . . . . | 4           |
| III. CONTENT OF THE PROGRAMME . . . . .                                 | 7           |
| A. Rural economy . . . . .                                              | 7           |
| B. Education . . . . .                                                  | 16          |
| C. Public sector planning and administration . . . . .                  | 18          |
| D. Transport and communications . . . . .                               | 23          |
| E. Natural resources . . . . .                                          | 25          |

Annex. Financial summary

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\* This document will be derestricted once the country programme has been approved. See document DP/526, which will be issued in June 1981.

## INTRODUCTION

1. The purpose of this document is to present the second UNDP country programme for the People's Republic of the Congo for the period 1981-1986. After the first programme, which covered the years 1972-1976, and owing to the country's economic difficulties and the financial crisis experienced by UNDP in 1976, no programme document was prepared for the period between 1977 and that covered by the present programme.
2. Substantial preparatory work for the country programme was done in 1979 and 1980 by the specialized agencies of the United Nations. This work included a series of missions, some of a sectoral and general nature, and others more specifically concerned with project evaluation and identification. Several of these missions were financed from the resources of the agencies themselves, while others were carried out by regional and interregional advisers financed from resources allocated by UNDP for regional activities. Some of the missions, while not primarily concerned with UNDP programming (for example, the missions of the Investment Centre of the Food and Agriculture Organization of the United Nations (FAO) and the World Bank), made a substantial contribution to the identification of technical assistance requirements; lastly, others were financed with funds allocated for ongoing projects or for preparatory assistance for the identification of new projects. It was possible to have the benefit of inputs from nearly all the specialized agencies.
3. The aim of the exercise was to identify within each agency's sphere of competence and in each sector the country's technical assistance requirements in the light of the Government's objectives and strategy. Taking this assessment of requirements as a point of departure, it was possible to identify ideas for projects, set short-term objectives for such potential projects having regard to existing bottle-necks, and to select those projects in which the involvement of the United Nations system could be the most helpful. The Government was thus able to obtain a sufficiently complete picture of the potential contribution of international technical co-operation and to draw on the collective experience of the specialized agencies, even in sectors in which the identification exercise did not lead to the translation of a project idea into UNDP programming.
4. In May 1980, the Resident Representative prepared a note reviewing all these activities, which presented an overview of ongoing work. The note served as a basis for discussions held with the Government with a view to deciding on the activities to be undertaken during the period covered by the programme. It also underscored the importance of co-ordination with inputs from other programmes of the United Nations system and of harmonizing contributions to the Congo from other bilateral or multilateral donors.
5. In the case of some projects selected, the review resulted in a complete project document accompanied by a detailed budget; for other sectors, merely the order of magnitude of resources felt to be appropriate was indicated.
6. The total cost of the needs identified proved to be greater than the resources available for programming. The final stage of the exercise therefore consisted in

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the selection of projects by the Council of Ministers. The Council laid down guidelines which enabled the Ministry of Planning and UNDP to determine which projects should be launched as a matter of priority. The country programme was finalized at a review meeting chaired by the Minister of Planning, in which the Assistant Administrator and Director of the Regional Bureau for Africa took part. During the meeting the Government expressed regret over the inadequacy of resources available to UNDP in relation to the level of its technical assistance requirements and its capacity for identifying and implementing projects. The Government expressed the hope that increased contributions would enable UNDP to provide more financing for projects submitted by the Congo. In the meantime, the Government decided to provide additional funds under cost-sharing arrangements to cover the cost of the projects selected.

#### I. FEATURES OF THE PROGRAMME

7. This programme covers the six-year period from 1 January 1981 to 31 December 1986. That period of time was chosen on the basis of the following considerations. After the implementation of the three-year programme of action (1975-1977) and a two-year programme (1978-1979), the Government launched two complementary annual programmes in 1980 and 1981. It is currently drawing up a five-year plan covering 1982-1986. The UNDP country programme was thus drawn up while preparations were being made for the five-year plan and its duration coincides with the plan's start-up and implementation stages. Consequently, most of the projects were designed to strengthen the Government's planning and management capacity and on a priority basis to help launch the Government's efforts to promote economic recovery and planned development.

8. From the standpoint of UNDP cycles, the period covered by the programme includes the last year of the second cycle and the entire third cycle. The resources available for programming therefore included the carry-over from the indicative planning figure (IPF) for the second cycle after deducting expenditure for the first four years and the entire IPF for the third cycle. It is estimated that as at 1 December 1980 the carry-over from the second cycle was \$1,565,000. The IPF for the People's Republic of the Congo for the cycle 1982-1986 is \$11 million. However, in accordance with the instructions of the Administrator of UNDP, 20 per cent of the IPF for the third cycle has been set aside as a reserve not available for allocation to projects. The total available resources are therefore \$10,365,000 for the period 1981-1986.

9. The Government has decided to increase those resources through cost-sharing. It will contribute a total of \$3,545,000 in six equal annual instalments. In order to allow for delayed implementation, which regularly occurs in technical co-operation projects, an amount greater than the available resources was programmed. The level of over-programming was 15 per cent for 1981 (start-up of new projects) and approximately 10 per cent for subsequent years. After those adjustments, the total amount for programming was \$15,610,000, to which was added \$865,000 from the United Nations Revolving Fund for Natural Resources Exploration, for a grand total of \$16,475,000. An amount of \$1,022,000 was set aside as an unprogrammed reserve above and beyond the 20 per cent of the IPF. In calculating

the cost of the projects, an inflation factor of 10 per cent annually was used. It is expected that an amount of \$408,000 will be needed for reimbursement of 13 per cent of the support costs incurred by the specialized agencies, which will be met from the amount contributed by the Government as cost-sharing.

10. In preparing the programme, account was taken of the experience acquired by the Government and UNDP during the preceding period. Assistance from UNDP was the subject of an assessment carried out by the UNDP field office and the results were discussed with the Government. The results confirmed the value of the country programming approach. The discussions revealed that the success of a project is determined primarily by the preparatory work, including the setting of objectives that are realistic and linked to the Government's development priorities. It also emerged that special attention should be given to ensuring the commensurability of objectives and the resources made available for the programme by both UNDP and the Government. The aim of projects should therefore be primarily to develop the Government's capacities by placing increased emphasis on professional training for Congolese nationals and by making full use of national capacity in the implementation of projects.

11. A whole new generation of projects will be implemented during the third cycle. As at 1 October 1980, only \$240,000 was formally approved for the period 1982-1986, which gave planners a free hand in allocating resources between ongoing and new projects. More specifically, in this country programme, three projects (29 per cent of resources) can be considered as follow-up activities to ongoing projects, four projects (20 per cent of resources) are still in the preparatory stage, eight projects (51 per cent of resources) have not yet involved any field activities.

12. In designing the projects, a number of criteria will be taken into account with the view to the optimum use of resources. For example, wherever useful, a catalytic effect will be sought in the sense that projects may serve to attract other external assistance. In implementing projects, an effort will be made to take full advantage of the possibilities of UNDP-financed regional projects and the regular programmes of the specialized agencies. Particular attention will be given, inter alia, to opportunities for technical co-operation between developing countries (TCDC).

13. UNDP programming is envisaged as a flexible ongoing activity. It has been decided to conduct annual review exercises so that the programme can continually be adapted to the economic realities. Special emphasis will be placed in such review exercises on integrating the activities in the Congo of the entire United Nations system and on co-ordinating those activities with other bilateral and multilateral assistance.

## II. DEVELOPMENT GUIDELINES AND GUIDELINES FOR UNDP ASSISTANCE

14. The general guidelines of the development strategy of the People's Republic of the Congo were reaffirmed by the Third Special Congress of the PCT (Congolese Labour Party), which was held in Brazzaville from 26 to 31 March 1979. Taking as

its point of departure a structural analysis of the economy, the Congress identified the characteristics of the stage reached in the Congolese revolution. The analysis shows that the Congo is still confronted by a neo-colonial development pattern characterized by, among other features:

- (a) An externally-oriented and fundamentally imbalanced economy;
- (b) An excessively developed tertiary sector, owing primarily to the Congo's role as a transit country;
- (c) A declining industrial sector, which is based on import substitution;
- (d) A backward agricultural sector that is constantly deteriorating;
- (e) A poorly developed domestic market.

15. The present stage was accordingly defined as that of the national, democratic and peoples' revolution. Its objectives are:

- (a) To control the decision-making centres within the country;
- (b) To create and develop domestic markets so as to restructure the economy in the light of internal needs and to increase production to meet the basic needs of the broad mass of population.

Toward that end, the Congo has adopted a self-reliant and self-propelled development strategy founded on the agriculture-industry interrelationship, in which agriculture constitutes the basis for development and industry the determining factor. Emphasis has also been placed on inter and intraregional interdependence and complementarity.

16. The Government of the People's Republic of the Congo launched a three-year programme in 1975, which was followed by a governmental programme of action for 1978-1979. The results of both these programmes have not been judged satisfactory. Circumstances, both external and domestic, hampered the implementation of the two programmes. In addition, short-comings emerged in the capacity to plan and monitor the programmes, which were, moreover, not really proper plans but rather a collection of transitional activities that were not sufficiently consistent and co-ordinated.

17. The third Congress made an analysis of the crisis which had hit the Congolese economy. The crisis could be seen in a number of indicators, particularly in the stagnation and decline of the gross domestic product (GDP) calculated in constant prices. The growth of the GDP in constant prices had been 5 per cent per annum between 1967 and 1972, and 13 per cent on an annual basis in 1973-1974 as a result of an increase in oil production and prices. In 1975-1976, with the drop in oil production, the GDP stagnated at 1.7 per cent. In 1977 the GDP declined. These developments were reflected in other indicators:

- (a) Strained public finances as a result of high external and domestic indebtedness;
- (b) Deteriorating financial situation of national enterprises;
- (c) A decline in the purchasing power of the broad mass of the population;
- (d) Migration from rural areas;
- (e) Worsening unemployment;
- (f) A freeze in the economy and in the means of self-financing;
- (g) Increased inflation;
- (h) Increase in the balance-of-trade deficit;
- (i) Behaviour of the labour force.

18. Beginning in 1979 economic activity generally picked up and the financial situation showed some improvement owing, inter alia, to the upward turn in oil earnings. Nevertheless, the over-all situation continued to be affected by the difficulties outlined above. What is needed therefore is a general economic recovery that will make it possible to accumulate the means necessary for the Congolese Labour Party to pursue its policy. On the basis of its analysis, the third Congress laid down guidelines for the drawing up of a five-year plan covering 1982-1986, for which preparations are in progress. In the interim, two annual programmes have been implemented for 1980 and 1981. The five-year plan will dovetail with a longer-range projection focusing on the year 2000 that will be prepared at the same time as the plan.

19. As this country programme was being finalized, the preparation of the five-year plan had not been completed and its details were not yet known. Nevertheless, the consistency of the projects for which UNDP assistance has been requested with the Government's over-all strategy is assured. The UNDP programming exercise itself had been envisaged as an input for the planning exercise. All the specialized agencies were able to express their views with regard to technical assistance requirements in their fields of competence and had identified the bottle-necks which could be eliminated with assistance from the United Nations system. Moreover, one of the main objectives of most of the projects is precisely to strengthen the planning, management and monitoring capacity of the Congolese Government both through institutional backstopping and the launching of pilot activities that should lead to the identification of more appropriate strategies at the national level. Such an approach also implies that UNDP assistance should have a direct impact on the Government's capacity to mobilize and manage the investments planned under the future plan.

20. A detailed description of the assistance requested from UNDP will be given in the following chapter. However, it would be well to mention briefly here the general guidelines set by the third Congress and the Government for the implementation of the development strategy adopted, which would no doubt be reflected in the future plan.

21. These guidelines are based on an assessment of the conditions of the Congo's economy, which constitute the parameters of the current stage. On that basis, the third Congress defined in detail for each economic activity the respective roles of the State, co-operative, mixed and private sectors.

22. The priority task is to promote the recovery of the State productive sector and the public finances, in particular, and economic revival. In order to complement the State's investment effort, a policy of incentives for the private sector, both national and expatriate, will be developed.

23. As regards the conditions for the success of the strategy, the Government is committed to promoting the mobilization and involvement of the masses. An important component of its emphasis on human resources is the project on education reform; sound planning in education and employment, as well as the development of basic health services, are therefore priorities. They will further the main objective, which is to harness and distribute equitably the domestic surplus which the country has the potential to produce, primarily from its agricultural sector. Development should aim to eliminate progressively the disparities between regions. Particular attention will also be given to the selection of projects and technologies, and to the administrative short-comings identified in assessing past achievements.

24. The quest for economic independence is not synonymous with autarky. The self-reliant strategy that has been adopted is consistent in particular with the principles of the Plan of Action adopted at the extraordinary session of the Assembly of Heads of State of the Organization of African Unity at Lagos, one of the guiding principles of which is the strengthening of inter-African co-operation with a view to the collective autonomy of the continent.

### III. CONTENT OF THE PROGRAMME

#### A. RURAL ECONOMY

25. The development strategy defined by the Third Special Congress of the Congolese Labour Party made agriculture, in the broad sense (lands, water, forests), the primary sector of the economy. The long-range tasks of the rural sector are:

- (a) To supply the population with food-stuffs and food products;
- (b) To provide raw materials for industry;
- (c) To produce a surplus necessary for the constitution of stocks and industrialization;
- (d) To use agriculture as a spring-board for the development of industry.

The rural population of the Congo makes up some 50 per cent of the total population and represents a potential that is greatly under-utilized. Increased efforts to galvanize the people seem to be needed. Various subsectors can be

identified with distinctive characteristics requiring individual approaches within the framework of the objectives of the over-all strategy, including the roles assigned in each subsector to State management systems and other operational arrangements respectively.

# I. Agriculture

26. The Government's plans call for the involvement of the State, co-operatives and individual farmers in the growing of food crops. Commercial farming will involve the State, expatriate individuals, Congolese nationals, farmers and co-operatives. At all events, however, the State reserves for itself a monopoly on exportation. Stock-raising is carried out by the State, pre-co-operative groups, Congolese private concerns and small foreign private concerns. It is planned to develop fish farming by farmers and State co-operatives.

27. The long- and medium-term objectives are:

(a) To attain food self-sufficiency for such staples as rice, palm and groundnut oil, sugar, poultry, pork and beef;

(b) To increase export earnings from agricultural commodities, such as coffee, cocoa, palm oil and tobacco;

(c) To develop agricultural industries to process national products;

(d) To stabilize the rural population, thereby halting the large-scale migration from rural areas;

(e) To modernize rural conditions using such pilot institutions as co-operatives and State farms, which will serve as technical support centres for the productive activities of farmers.

28. The short-term objectives are:

(a) The financial recovery of State agricultural enterprises;

(b) The establishment of development programmes for specific crops (coffee, cocoa, maize, paddy, groundnuts); these programmes will rely on offices which will be responsible for organization, mobilization and technical support.

29. The pillars of this policy will be: (a) applied agronomic research; (b) infrastructure for the maintenance of agricultural equipment; (c) a producer's price policy; (d) a dynamic credit policy; (e) adequate infrastructure to prevent post-harvest losses; and (f) transport in general, especially roads.

30. As regards the current situation, the Government's assessment is as follows: the State sector developed since independence has been plagued by difficulties which have significantly reduced its impact. The co-operative or pre-co-operative groups still require a great deal of stimulus and supervision if they are to play an important role. Farming by small farmers in the Congo is characterized by the

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use of backward methods, the limited areas under cultivation, poor communications, the inadequate marketing channels. As a result, this sector is stagnating and is unable to bring about the increase in output and improvement in living conditions that are sought. Advisory services for individual farmers are virtually non-existent.

31. In the light of the unsatisfactory results achieved so far in rural development, the Government is at present working out the details of a policy that should produce tangible results over the long term. UNDP assistance is therefore needed for projects aimed at creating effective support structures and developing the most appropriate policies and organizational arrangements.

32. UNDP assistance is not requested at this time for the State farm sector, except indirectly in connexion with the project concerning the National Management Centre (CENAGES), which provides support to the management of rural State enterprises. The technical assistance requirements of the State enterprises are, for the most part, met by bilateral co-operation programmes, and as regards stock-raising, by the World Bank and the European Development Fund. UNDP assistance is, however, needed for support of new government offices.

33. The Food-crops Office (OCV), which was established on an emergency basis in 1978 and then placed on an official footing by a decree in 1979, is responsible for promoting the growing of food-crops throughout the country by:

- formulating and carrying out a development programme;
- promoting the spread of new methods.

Initially, however, the Office will be concerned with only three major crops: paddy, maize and groundnuts. Similarly, the establishment of the Office throughout the territory will take place gradually.

34. The Office will be called upon to supervise and co-operate in various activities financed from external assistance, especially in the Bouenza area, including a loan from the African Development Bank, which will provide funds for promoting peasant farming, and technical assistance from FAO. In the Pool and Plateaux areas the Office will collaborate in a UNDP rural development project in support of co-operative groups (PRC/79/002), for which the International Labour Office (ILO) is executing agency.

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PRC/78/003 - Assistance to OCV

Executing agency: FAO

Estimated UNDP contribution: \$1 million

Duration: 5 years

Objectives of the project:

(a) To assist the general management of OCV in the tasks of co-ordination, organization and evaluation;

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(b) To plan and establish progressively an advisory service for private farmers; training and refresher training for OCV staff and field supervisors, monitoring the activities of the service;

(c) To rationalize the operations of collection, purchasing, transport and selling and to train staff involved in these operations.

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35. The Coffee and Cocoa Office (OCC) is responsible for promoting Cocoa and coffee cultivation in the People's Republic of the Congo and providing comprehensive marketing facilities for the harvest. The Office's medium-term objectives are to improve conditions on the existing plantations and bring 8,000 hectares of new land under cultivation by organizing and assisting farmers.

36. The Office is responsible for directing a project financed by a loan from the African Development Bank. It also receives bilateral aid from France. UNDP assistance is required to initiate a programme of training, support for the supervision, retraining and refresher training of executive officials, the organization of on-the-job training for extension agents, and the development of an extension programme providing incentives and training for growers.

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PRC/78/002 - Assistance to OCC

Executing agency: FAO

Estimated UNDP contribution: \$1 million

Duration: 4 years

Project objectives:

(a) To assist in the establishment of OCC's training system;

(b) To train or retrain field supervisors (approximately 750 supervisors and specialists); to provide on-the-job training, by means of seminars and training courses abroad, for national officials responsible for running OCC's training system.

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37. UNDP has long been providing assistance to farmers' co-operatives under project PRC/68/507 implemented by ILO, which has assisted in the establishment of 159 co-operatives (and 10 federations of such co-operatives) in the Pool and Plateaux regions. A major follow-up phase is planned for the new programming period. This new phase will, in particular, initially encompass extension of the project to new zones and study of the experience of pre-co-operative groups, to assist the Government in formulating its integrated rural development policy for the country as a whole.

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PRC/79/002 - Rural development in the Pool and Plateaux regions

Executing agency: ILO

Estimated UNDP contribution: \$2.5 million

Duration: 6 years

Project objectives (to 1981):

(a) To strengthen the institutional, technical, social and economic structures established by project PRC/68/507, to allow the process of rural development already begun to continue on a sound basis until the termination of external assistance; these structures will provide an appropriate framework for the development of training and extension;

(b) To extend the project throughout the Pool and Plateaux regions;

(c) To expand production;

(d) To lay the foundations of regional planning, with a view to improving national planning;

(e) The development by the Institute for Rural Development of the Marien N'Gouabi University in Brazzaville of a method of continuous assessment of social change among farmers and the progress made by the project: this assessment should provide the necessary data for planning production by co-operatives;

(f) To slow down the exodus from the countryside by improving the living and working conditions of young country-dwellers and by establishing co-operatives;

(g) To retrain national officials and train farm workers.

Salient features of the project objectives:

(a) To allow farmers to participate in development;

(b) To increase farmers' incomes;

(c) To integrate women into development; to that end the project will co-operate closely with the project, "Advancement of women and families" (PRC/73/P02), financed by the United Nations Fund for Population Activities (UNFPA) and implemented by ILO;

(d) To protect the environment, in particular by erosion control through reafforestation; assistance from the United Nations Environment Programme (UNEP) could be requested for that purpose;

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(e) The project activities will be reinforced by two World Food Programme (WFP) projects, "Rural development", and "Supplementary nutrition for mothers and children".

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38. The objectives of the successive phases of the above project will be defined more closely on the basis of the results of the assessment undertaken and referred to in the objectives for 1981. In principle the project will continue in its present form until 1984 (extension throughout the Pool and Plateaux regions). For 1985-1986, UNDP assistance will be essentially logistic (without experts for the Pool/Plateaux regions) and will aim at:

(a) Placing activities completely under government control;

(c) Continuing technical assistance for the extension of integrated rural development to other regions, as yet undesignated.

The project also aims to provide a suitable framework for investment initiatives, both from internal (Government, banking institutions, agricultural banks) and external sources, a number of which have already made specific contributions: France (power-driven cultivators), the Swiss Confederation, the Federal Republic of Germany, the Development Club of the Organization for Economic Co-operation and Development (OECD), and others. The project was included in the World Bank's "special interest" procedure. It is one of the projects considered in UNDP's comprehensive assistance study on assistance for integrated rural development.

39. One of the essential tools for any agricultural development policy is the availability of adequate statistical data. The statistical services currently available in the Congo are inadequate.

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PRC/78/004 - Assistance in establishing an agricultural statistics system

Executing agency: FAO

Estimated UNDP contribution: \$600,000

Duration: 5 years

Project objectives:

(a) To propose a detailed programme of work in the field of agricultural statistics;

(b) To provide a basis for the gathering of agricultural statistics and future surveys;

(c) To prepare and carry out a pilot survey in one or two villages;

(d) To prepare and carry out an agricultural census in the form of a sample survey;

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(e) To take appropriate organizational measures and train staff to assure the future development of agricultural statistics.

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## II. Water and forest resources

40. In the view of the third PCT Congress, the Congo's abundant water and forest resources are natural agricultural resources in the broad meaning of the term. Such resources should be mobilized to help create a surplus and national financial reserve. The Government has asked UNDP for assistance in forestry and fish-farming.

### (a) Forestry

41. The People's Republic of the Congo has major forest reserves. Some 20 million hectares out of a total area of 34.2 million hectares are forested. The Congo's forest resources have the potential to make a major contribution to the country's economic development, through, in particular, increased exploitation of forests in the north. So far, however, the real impact of forestry development both in terms of tax revenue and general economic development has been less than anticipated.

42. Timber production is largely assured at present by the south of the country, where there is a relatively well-developed infrastructure. Inadequate infrastructure has so far prevented exploitation, which has in part been planned with the aid of various UNDP/FAO projects of the major resources in the north of the country.

43. With regard to the forestry sector, the third PCT Congress issued a directive calling for the rational exploitation of the country's forest resources, while ensuring State control and dominance over production and marketing. It was recognized that at present State, private and mixed forms of exploitation were to be employed. Nevertheless, the State monopoly over marketing through the Congolese Forestry Office (OCB) will be preserved and, indeed, strengthened.

44. At the request of the Government, a series of missions from FAO and the United Nations Centre on Transnational Corporations (UNCTC) has taken place. The aim of those missions was to study the forestry sector in the People's Republic of the Congo and to identify the major obstacles to the development of forest resources. The UNCTC mission also examined government plans on the role of transnational corporations in the commercial forestry sector. The missions recommended, in particular, the strengthening of the forestry service, deployment of its staff in the field, and on-the-job training. The missions also formulated a series of detailed suggestions with regard to implementing forestry policy, relations with the private sector and the development of forest resources to the benefit of the local population.

45. An integrated technical assistance project was proposed. In the words of one of the consultative missions, this project should be considered as an initial phase

in the strengthening of forestry institutions and the training of national personnel at every level, a long-term task from which no immediate or spectacular results should be expected.

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Project: PRC/80/005 - forestry development

Executing agency: FAO

Estimated UNDP contribution: \$1.9 million

Duration: 5 years

Project objectives:

- (a) Institutional support for forestry administration, including the training of national personnel;
- (b) Subsequent development of the forest resources of southern Congo;
- (c) Contribution by the forestry sector to rural development.

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(b) Fisheries

46. The Congo's off-shore and inland fisheries have major potential. To enable fishing to play an appropriate role as one of the bases of national development, progressive restructuring and modernization are planned together with the promotion of industrial initiatives and craft and rural activities.

47. Of the various forms of fish-farming, fish-farming in rural areas has already begun and offers interesting possibilities. Extension of these activities and intensification and improvement of breeding methods could bring about a significant expansion of the protein supply of the population. Fish-farming would help to slow down the exodus from the countryside by generating additional income.

48. UNDP has been asked to provide assistance for the dynamic promotion of family and small-scale fish-farming in rural areas. The project would take over and extend the work begun by project PRC/72/011, which was interrupted in 1976 due to UNDP's financial difficulties. The latter project had helped in establishing a fish-breeding station with a sound infrastructure, which will be used for the new project.

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Project: PRC/79/007 - Development of rural fish-farming

Executing agency: FAO

Estimated UNDP contribution: \$400,000

Duration: 3 years

Project objectives:

- (a) Direct aid to existing rural fish-farmers and active promotion of rural fish-farming so as to double the area currently exploited;
- (b) Within the framework of integrated development, a demonstration of the real possibilities of small-scale fish-farming and improvement of breeding techniques with the aim of tripling current levels of output;
- (c) Assistance in the organization and management of fish-breeding stations;
- (d) Assistance in the reorganization of the fisheries and fish-farming service and training of the requisite personnel at every level;
- (e) Co-ordination of bilateral technical assistance in fish-farming, in particular, with regard to training abroad.

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The project will provide support, inter alia, for the project, "Rural development of Pool and Plateaux" (PRC/79/002). Fish-farming is one of the activities most welcomed by pre-co-operative groups.

## B. EDUCATION

49. Reform of the education system, which has been termed "the people's school", is based on proposals formulated at the 1970 symposium on education and approved in 1974 by the second extraordinary Congress of the Congolese Labour Party. Reforms introduced since 1963 have had little impact on the colonial education system, despite the desire to give education a scientific orientation linked to development priorities. Reforms are thus needed to provide a comprehensive solution to the failure of the education system to respond to the political, social and economic demands of the country. The Congolese Labour Party's third Congress reaffirmed the principles underlying reform.

50. In June 1980 the National Assembly enacted legislation setting forth the new orientation. The staff of "The People's School National Commission", an administrative division of the Department of Ideology and Education of the Congolese Labour Party's Political Office, is currently responsible for implementation of the reform.

51. The new education system is structured as follows:

1. Ten years of primary education including:

(a) Primary school (six years), for the acquisition of reading and writing skills and basic mathematics together with an introduction to environmental and social science studies, productive labour, physical education, aesthetics and civic responsibility;

(b) Middle school (four years), which takes one of two forms:

(i) General multidisciplinary education or further basic education, with the aim of extending and expanding basic education and imparting a higher level of theoretical and practical knowledge linked to productive labour considered as pre-vocational education to facilitate career choice;

(ii) Vocational training centres (agricultural and industrial options) for the training of skilled workers;

2. Secondary education, which takes one of two forms:

(a) A specialized secondary school;

(b) A technical secondary school;

3. Higher education, encompassing universities and institutes.

52. In planning the reform the Government has benefited from aid from UNDP and the United Nations Educational, Scientific and Cultural Organization (UNESCO) through the project, "Planning and implementation of the education reform" (PRC/77/003). This project has been implemented in close collaboration with a

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World Bank project, in particular the component, "Education planning", entrusted to UNESCO. Experts from the two projects formed an integrated team. The project will complete its programme of work in June 1981. Work accomplished to date includes:

- (a) Determination of the principal stages of implementation of the reform, definition of the structure and mode of operation and initial preparation of the content of the reform;
- (b) Analysis of the information, management and decision-making channels of the Ministry of Education and of the National Institute for Applied Educational Research (INRAP) and the making of the necessary recommendations;
- (c) The proposing of immediate improvements in the training of teachers, education counsellors and inspectors;
- (d) The initiation of studies on manpower forecasts and the state of technical and vocational education, which will provide the basis for government decisions on the expansion of the education system.

A tripartite assessment mission, in March 1980, confirmed that the project had achieved positive results. The mission report also confirmed that it would now be necessary to face the problems inherent in moving from the design and planning stage to implementation.

53. The advanced state of the theoretical work involved and the urgent problems of effective implementation of the new orientation require further technical assistance, to be concentrated at strategic points, together with a greater national effort. In view of the amount of resources to be mobilized and the investment necessary, it is clear that in this new stage the resources available from the IPF are limited. UNDP's contribution will thus merely act as a catalyst.

54. The Government has thus sought UNDP and UNESCO contributions for:

- (a) The preparation, through consultative missions financed by UNDP, of technical documents for projects selected by the Ministry of Education;
- (b) Requests for financing from bilateral and multilateral sources of aid.

55. The current project (PRC/77/003) will end with the preparation of the documents and the procurement of financing. UNDP assistance for the remainder of the cycle cannot be precisely determined until that time, bearing in mind those portions of the reform which might be covered by other sources of finance. UNDP will probably be called upon to assume responsibility for direct technical support for the national organ responsible for co-ordination. That organ will be responsible for integration of every aspect of implementation of "the people's school" reform and for co-ordination of the various external sources of assistance.

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Sector: Education

Executing agency: UNESCO

In principle an amount of \$1.2 million for the entire programming period has been earmarked as UNDP's contribution to projects in this sector.

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### C. PUBLIC SECTOR PLANNING AND ADMINISTRATION

56. As emphasized by the third PCT Congress, initiation and management of national development require a rigorous and democratic planning system. The policy determined by the Party must be translated into operational directives if the strategy is to be implemented successfully. These directives will have to be prepared on the basis of previous studies conducted by planning bodies and ministries. The third Congress further recommended that the greatest care should be taken in preparing plans and programmes to ensure that they were coherent and realistic, and that implementation of plans should be preceded by careful preparation (securing of appropriate finance and comprehensive project documents covering the programming of work).

57. National economic recovery, to free the resources necessary for implementation of the objectives determined by the third Congress, is a prerequisite for implementation of the Congolese Labour Party's policy.

58. The major portion of the assistance requested from UNDP thus consists of a series of projects aimed at strengthening State organs for planning and implementation and public sector recovery. This phase of the programme relates to formulation and initiation of the five-year plan and the longer-term prospects. Once the plan and its machinery have been established, the UNDP programme may be reoriented as sectoral objectives emerge. For that reason a number of projects have not been worked out in detail beyond the first period. The indicative figure for UNDP's contribution is, in this case, a general allocation earmarked for the sector for the whole of the cycle. The nature and importance of the initial phase are revealed by the concentration of resources on the early years of the projects and the programme as a whole.

#### I. Planning

59. The development strategy assigns a key role to planning instruments. As indicated by the third PCT Congress, new vigour must be injected into the planning services and the role and place of the Ministry of Planning must be accepted. The Government intends to undertake national and regional planning, integrated into a long-term development strategy.

60. The Government has requested UNDP assistance in providing technical support for the Ministry of Planning's planning services. The Government fully realizes

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that such assistance should be modest. A small team of resident experts, supported by a large number of consultants, is justified, in that it is necessary for national officials to apply certain national planning techniques in preparing and implementing the plan.

61. In the first phase of preparatory assistance, the project, while assisting in the technical drafting of the five-year plan document, will offer a more specific definition of assistance needs for the rest of the programme cycle. At the same time the project will help in structuring the Ministry of Planning, and more particularly the Department of Macroeconomic Planning, and in the fields of monitoring and co-operation. It will also organize group training, seminars, staff training sessions, surveys and private study days to help Congolese officials obtain technical skills.

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Project: PRC/79/006 - Strengthening of economic planning capabilities

Executing agency: The United Nations (Department of Technical Co-operation, possibly in collaboration with other specialized organs)

UNDP contribution: \$1,430,000 (allocation in principle)

General project objective: Strengthening planning organs

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62. Within this framework and at the Government's request, specific activities in support of sectoral planning might also be undertaken. For example, the Government intends to seek the assistance of the competent specialized agencies for the preparation of national plans for civil aviation and the development of tourism. Activities of this type could be co-ordinated within the framework of the main project.

63. The Government attaches a special importance to strengthening administrative capacity for drawing up and evaluating investment projects. The third Congress of the PCT also decided that project selection and technology selection should receive special attention. "A review of conditions in and the operations of industrial production units has revealed many short-comings in planning and implementation. That phenomenon is possible because our apparatus lacks one valuable instrument: the design office." The Government has consequently deemed it necessary to set up within the Planning Ministry a technical and economic design department.

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Project: PRC/79/004 - Assistance to the Project Design Department

Executing agency: United Nations Industrial Development Organization (UNIDO)

Duration of project: Four years                      Estimated UNDP input: \$800,000

Project objectives:

- (a) Formation within the Planning Ministry of a special unit for the preparation and evaluation of feasibility studies;
- (b) Preparation of a methodology, chiefly for market surveys and economic and financial studies;
- (c) Setting up a technical documentation and industrial information centre;
- (d) Training of national managerial staff; and
- (e) Production of feasibility studies.

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64. In accordance with the directives of the third Congress of the PCT, national planning is to concentrate on balanced development of the whole of the country. This emphasis demands the application of a human settlements policy. A block allocation is being made for activities in this sector.

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Project: PRC/                      - Assistance for programming the development of human settlements

Executing agency: United Nations Centre for Human Settlements (Habitat)  
(possibly in co-operation with other specialized agencies)

UNDP input: (block allocation): \$500,000

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## II. Public administration

65. Apart from the specific role attributed to the planning bodies, the State administration as a whole is to be the instrument for implementing the strategy laid down by the third Congress of the PCT. According to the directives of the Congress, the paramount aims of activities in connexion with the civil service must be:

- (a) To destroy the present bureaucratic system, a legacy of colonization, and replace it by a less costly, simplified and effective administration;

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(b) To strive for output and productivity, which requires action with regard to the adaptation of administrative structures, procedures and working methods to the requirements of economic and social development; and

(c) To prescribe and implement an employment policy in all departments of government.

66. UNDP assistance has been requested to help the Government to pursue these objectives. The broad outlines of a project have been proposed; its detailed content will be formulated with the participation of experts during the first phase. What the project is expected to do is to help the Ministry of Labour and the Civil Service to put into operation a policy of reorganizing, rationalizing and modernizing the management of government personnel with a view to reducing the existing imbalance between the cost of the civil service and the value of the services it provides.

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Project: PRC/79/005 - Public administration

Executing agency: United Nations Department of Technical Co-operation for Development

Duration of project: Three years                      Estimated UNDP input: \$500,000

Project objectives (for the initial phase):

(a) To improve the civil service staff regulations;

(b) To strengthen and improve personnel management structures, procedures and techniques; and

(c) To organize and introduce a system of planning and management of basic and advanced administrative training.

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67. One notable aspect (the importance of which tends to be underestimated) of improving the efficiency of the public service is the training of both middle-level personnel both within the administration itself (office staff) and in the economic sector (middle-level technicians). A UNDP/ILO preparatory assistance mission has produced an analysis and recommendations for assistance to the Ministry of Labour. The mission underlined that in the long run the solution of labour and employment problems would have to come from a global strategy. The specific objectives to be set for the project described below will have to take account of this approach, and the project will be co-ordinated with other projects and activities affecting the public sector and training. A block allocation has been earmarked for the implementation of the planned activities.

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Project PRC/79/008 - Training of middle-level personnel

Executing agency: International Labour Office

UNDP input (block allocation): \$300,000

Duration of project: Three years

Objectives (to be specified later):

- (a) To strengthen the Centre for basic and advanced administrative training;
  - (b) To reorganize vocational training and restructure the legislation on the subject;
  - (c) To train national staff in job classification skills; and
  - (d) To strengthen vocational training structures.
- 

### III. State economic sector

68. The third Congress of the PCT recognized that one of the prerequisites for the implementation of the strategy for self-reliant development was the restoration of the country's production potential. Given the fundamental role played by the State sector, it is obvious that one of the Government's major priorities is the reorganization and restoration to economic viability of State enterprises. This task requires substantial and sustained efforts inasmuch as the objective pursued demands that direct action be taken to deal with all organizational management and production problems within enterprises simultaneously with measures to provide advanced and refresher training for managerial staff and specialists. Technical and economic surveys, based on modern methods and techniques, must go hand in hand so as to bring about the rational utilization of material, financial and human resources.

69. UNDP and ILO have for a long time been assisting the People's Republic of the Congo to improve the management of its State economic sector, chiefly through project PRC/71/516, one result of which has been to demonstrate the need to create a permanent national structure to carry on the activities started by the project. The Government accordingly decided to establish a State agency, the National Management Centre (CENAGES), having legal personality and financial autonomy, whose principal activity is to help enterprises in the People's Republic of the Congo with management, organization and production and to provide basic and advanced training for managerial staff at all levels. UNDP assistance for the new phase of the project, which began in 1979, is to assist the Government to establish and operate the Centre.

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Project PRC/79/001 - Assistance to the National Management Centre (CENAGES)

Executing agency: ILO

Estimated UNDP input: \$1.5 million

Duration of project: Four years

Project objectives:

(a) To make CENAGES fully operational through accelerated training of national staff;

(b) To design and introduce appropriate management systems within enterprises;

(c) To resolve the problems experienced by the managers of State enterprises in such spheres as organization, planning, preparation of budgets, etc;

(d) To design and organize programmes of basic and advanced training for the management and staff of enterprises;

(e) To participate in drawing up a programme and implementing measures for improving the efficiency of existing enterprises, and to promote the expansion, diversification and establishment of enterprises. To contribute to intensifying inter-African co-operation and the exchange of experience with regard to assistance to enterprises and the training of their personnel.

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70. It should be noted that a national conference for the rehabilitation of State enterprises was held from January to September 1980. The National Management Centre provided the secretariat for that conference, which was under the chairmanship of the Prime Minister, and all management personnel in the country participated in it. The conference drew up a recovery plan for each State enterprise and a Charter for State enterprises.

#### D. TRANSPORT AND COMMUNICATIONS

71. Transport is a prominent sector in the Congolese economy. A high proportion of all internal and external resources and investments are accordingly allocated to it with a view both to strengthening and improving the existing infrastructure and adapting it to the requirements of the strategy for self-reliant development. No assistance against the country IPF is being requested from UNDP for the time being. The Government is using external inputs from other sources of finance for its needs. It is possible, however, that co-operation with the United Nations system could be useful in future within the framework of the Transport and Communications Decade for Africa.

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72. UNDP assistance is, however, being requested for two specific and highly technical sectors, posts and telecommunications, with a view to reinforcing the capacity of the relevant Congolese administrations.

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Project PRC/80/006 - Development of telecommunications

Executing agency: International Telecommunications Union (ITU)

Estimated UNDP input: \$470,000

Duration of project: Four years

Project objectives: To help in:

- (a) Building a national plan for the development of telecommunications;
- (b) Instituting systems for maintaining telecommunications equipment;
- (c) Improving telephone operating and accounting procedures;
- (d) Improving telecommunications management by introducing a satisfactory organizational system; and
- (e) Defining the requirements for satisfactory operation of the National Telecommunications School.

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Project PRC/78/001 - Postal training

Executing agency: Universal Postal Union (UPU)

Estimated UNDP input: \$80,000

Duration of project: Four years

Project objective: To provide fellowships for advanced and specialized training of selected staff of the National Posts and Telecommunications Office.

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73. Training under these two projects will in many cases take the form of inter-African courses and seminars for which assistance is provided from UNDP regional funds.

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#### E. NATURAL RESOURCES

74. The development of mineral resources as a source of funds for financing development is one of the Government's priorities. No UNDP-assisted project is at present planned in the key hydrocarbons sector. Technical assistance for the National Hydrocarbons Company (Hydro-Congo) will be financed by a World Bank loan.

75. For the purpose of exploring for other mineral resources help has been sought by the Government from the United Nations Revolving Fund for Natural Resources Exploration. An agreement was recently signed with the People's Republic of the Congo for exploring the potential of a phosphate deposit on the sea-bed of the Congolese coast.

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Project PRC/NR-79/001 - Marine phosphates

Duration of project: Five to six months

Possible project cost (contribution from the Revolving Fund): \$865,000

Planned operations:

(a) A first phase of seismic exploration of the sea-bed area concerned, with interpretation of the results;

(b) A second phase of sample drilling; and

(c) A final phase of processing the sampling results.

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Financial summary

I. Resources taken into account for programming

1. Resources available

|                                                                         | <u>Dollars</u>    |
|-------------------------------------------------------------------------|-------------------|
| (a) IPF resources                                                       |                   |
| (i) Second-cycle resources                                              | 1 565 000         |
| (ii) Third-cycle resources                                              | <u>8 880 000</u>  |
| Total                                                                   | 10 365 000        |
| (b) Other resources managed by UNDP                                     |                   |
| (i) Government cost-sharing<br>contribution (including agency<br>costs) | 3 545 000         |
| (ii) United Nations Revolving Fund<br>for Natural Resources Exploration | 865 000           |
| 2. Provision for over-programming                                       | <u>1 700 000</u>  |
| Total resources taken into account for<br>programming                   | <u>16 475 000</u> |

II. Use of resources

1. Programmed

|                                                                      |                |
|----------------------------------------------------------------------|----------------|
| (a) Ongoing projects                                                 | 4 080 000      |
| (b) New Projects                                                     | 10 965 000     |
| (c) Agency costs for the segment financed<br>on a cost-sharing basis | <u>408 000</u> |
| Total                                                                | 15 453 000     |

|                         |                   |
|-------------------------|-------------------|
| 2. Unprogrammed reserve | <u>1 022 000</u>  |
| Total resources         | <u>16 475 000</u> |

N.B. In accordance with the UNDP Administrator's instructions, the resources available for programming were estimated as 80 per cent of the IPF for the third cycle. Should the remaining 20 per cent of the IPF be released, the amount of unprogrammed resources would rise by \$2.2 million.

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III. Annual breakdown of resources by sector a/  
(In thousands of dollars)

| Sectors                         | 1981  | 1982  | 1983  | 1984  | 1985  | 1986 | Total  |
|---------------------------------|-------|-------|-------|-------|-------|------|--------|
| 1. Rural economy                | 1 263 | 1 715 | 1 685 | 1 470 | 1 017 | 250  | 7 400  |
| 2. Education                    | 200   | 200   | 200   | 200   | 200   | 200  | 1 200  |
| 3. Planning and management      | 1 100 | 1 160 | 1 280 | 890   | 350   | 250  | 5 030  |
| 4. Transport and communications | 70    | 220   | 160   | 80    | 20    | -    | 550    |
| 5. Total                        | 2 633 | 3 295 | 3 325 | 2 640 | 1 587 | 700  | 14 180 |
| 6. Reserve                      |       |       |       |       |       |      | 1 022  |
| Grand total                     |       |       |       |       |       |      | 15 202 |

a/ Excluding Revolving Fund resources.

# UNITED NATIONS DEVELOPMENT PROGRAMME



# UNDP

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DP/GC/PRC/R.2/RECOMMENDATION  
21 April 1981  
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GOVERNING COUNCIL  
Twenty-eighth session  
June 1981  
Agenda item 6

## Country and intercountry programming

COUNTRY PROGRAMME OF THE GOVERNMENT OF THE  
PEOPLE'S REPUBLIC OF THE CONGO

### Note by the Administrator

#### Programme period

1981-1986

#### IPF for the period 1977-1981:

\$7.5 million

#### Illustrative IPF for the period 1982-1986:

\$11 million

### I. Nature of the programming exercise

1. The 1981-1986 UNDP programme for the People's Republic of the Congo coincides with the stage of launching and the period of implementation of the national five-year plan. After the first programme, which covered the years 1972-1976, no

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APPROVED BY THE GOVERNING COUNCIL

\* This document will be derestricted once the country programme has been approved. See document DP/526, which will be issued in June 1981.

document was prepared for the period between 1977 and that covered by the present programme.

2. Substantial preparatory work was done in 1979 and 1980 by the specialized agencies of the United Nations. This work included a series of missions aimed at identifying within each agency's sphere of competence and in each sector the country's technical assistance requirements in the light of the Government's objectives and strategies. In May 1980, the Resident Representative prepared a note which presented an overview of ongoing work. The note also underscored the importance of co-ordination with inputs from other programmes of the United Nations system and of harmonizing contributions from other bilateral and multilateral donors. The assessment of requirements made it possible to identify a number of ideas for projects and the Government was able to obtain a sufficiently complete picture of the potential contribution of international technical co-operation, even in sectors in which the identification missions did not produce any ideas for projects that were incorporated in the UNDP programme.

3. The country programme was finalized at a review meeting chaired by the Minister of Planning, in which the UNDP Assistant Administrator and Director of the Regional Bureau for Africa took part. The cost of the projects identified proved to be greater than the resources available under the illustrative indicative planning figure (IPF). The Government expressed regret over the inadequacy of resources available to UNDP in relation to the level of its technical assistance requirements and its capacity for identifying and implementing projects. The Government therefore decided to provide, under cost-sharing arrangements, additional funds amounting to \$3,500,045 to cover the cost of the projects selected.

4. UNDP programming has been envisaged as a flexible ongoing activity, including annual reviews so that the programme can continually be adapted to economic realities.

## II. Relationship of the programme to national development objectives

5. As the Government indicated in the country paper, the general guidelines of the development strategy of the People's Republic of the Congo were reaffirmed by the Third Congress of the Congolese Labour Party, which was held at Brazzaville from 26 to 31 March 1979. The structural analysis of the economy made by the Congress shows that the Congo is still confronted by a neo-colonial development pattern. On the basis of that analysis, the present stage of the Congolese revolution was defined as that of the national, democratic and people's revolution. Its objectives are (a) to control the decision-making centres within the country and (b) to create and develop domestic markets so as to restructure the economy in the light of internal needs and to increase production to meet the basic needs of the broad mass of population. To that end, the Congo has adopted a self-reliant and self-propelled development strategy founded on the agriculture-industry interrelationship, in which agriculture constitutes the basis for development and industry the determining factor. Emphasis has also been placed on interregional and intraregional interdependence and complementarity.

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6. The Third Congress laid down guidelines for the drawing up of a five-year plan covering 1982-1986. Preparatory work is under way on this plan, which will dovetail with a longer-range projection focusing on the year 2000. The guidelines identify as priority tasks recovery, particularly in the sector of activities sponsored by the State and public finances, and economic revival. In order to complement the State's investment effort, a policy of incentives for the private sector, both national and expatriate, is envisaged. The quest for economic independence is not synonymous with autarky. The self-reliant strategy that has been adopted is consistent in particular with the principles of the Plan of Action adopted at the economic summit meeting of Heads of State or Government of the Organization of African Unity at Lagos.

7. At the time when the country programme was being finalized, the preparation of the five-year plan had not been completed. Nevertheless, the consistency of the projects with the Government's broad approach was assured. The programming exercise itself was envisaged as an input for the planning exercise through the participation of the various agencies of the United Nations system, which were able to express their views with regard to technical assistance requirements in their fields of competence.

8. Moreover, one of the main objectives of most of the projects is precisely to strengthen the planning, management and monitoring capacity of the Congolese Government both through institutional backstopping and through pilot activities that should contribute to the implementation of appropriate strategies at the national level.

### III. Content and phasing of the programme

9. Table 1 below shows the sectoral breakdown of programmed resources, while table 2 shows the phasing of the programme.

Table 1

Sectoral breakdown of programmed resources  
(in thousands of dollars)

| Sector                              | <u>Ongoing projects</u> |          | <u>New projects</u> |          | <u>Total</u> |          |
|-------------------------------------|-------------------------|----------|---------------------|----------|--------------|----------|
|                                     | Value                   | Per cent | Value               | Per cent | Value        | Per cent |
| Agriculture, forestry and fisheries | 2 500                   | 17.6     | 4 900               | 34.5     | 7 400        | 52.1     |
| Education                           | 80                      | 1.0      | 1 120               | 7.8      | 1 200        | 8.8      |
| Planning and administration         | 1 500                   | 10.5     | 3 530               | 24.8     | 5 030        | 35.3     |
| Transport and communications        | -                       | -        | 550                 | 3.8      | 550          | 3.8      |
| Total                               | 4 080                   | 29.1     | 10 100              | 70.9     | 14 180       | 100.0    |
| Reserve                             |                         |          |                     |          | 1 022        |          |
| Total                               |                         |          |                     |          | 15 202       |          |

/...

Table 2

Phasing of the programme

A. Amount programmed

| <u>Year</u>                                                     | <u>(thousands of dollars)</u> |
|-----------------------------------------------------------------|-------------------------------|
| 1981                                                            | 2 633                         |
| 1982                                                            | 3 295                         |
| 1983                                                            | 3 325                         |
| 1984                                                            | 2 640                         |
| 1985                                                            | 1 587                         |
| 1986                                                            | 700                           |
| United Nations Revolving Fund for Natural Resources Exploration | 865                           |
| Reserve                                                         | 1 022                         |
| Total                                                           | 16 067                        |

B. Resources taken into account for programming

Resources available

(a) IPF resources

(i) Second cycle 1 565 a/

(ii) Third cycle 8 800 b/

10 365

(b) Other resources

4 002 c/

Adequate programming 1 700

Total resources taken  
into account for  
programming

16 067

a/ This figure represents the difference between the 1977-1981 IPF after adjustment for over-expenditure from the first cycle (\$7,249,000) and expenditure for the years 1977-1980 (\$5,684,000).

b/ This figure is equivalent to the illustrative IPF (\$11 million) less 20 per cent.

c/ This figure includes the cost-sharing contribution of the Government (\$3,545,000) less agency expenses (\$408,000) and contributions from the United Nations Revolving Fund for Natural Resources Exploration (\$865,000).

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10. It should be noted that the programme is tailored to the phase of formulation and initiation of the five-year plan. Once the plan and its machinery have been established, the UNDP programme may be reoriented to some extent as sectoral objectives emerge. For that reason, a number of projects have not been worked out in detail beyond the first period. The importance of the present initial phase is also revealed by the concentration of resources on the early years. The proportion of new projects is relatively high: three projects (accounting for 27 per cent of resources) are follow-up activities to ongoing projects, four projects (20 per cent of resources) have passed through a preparatory phase and nine projects (53 per cent of resources) have not yet involved any field activities.

11. Nearly half (48 per cent) of the programme is concerned with projects in the field of rural economy. The Government's strategy is to make agriculture, in the broad sense (land, water, forests), the primary sector. Congolese agriculture is seriously under-developed and increased efforts to impart dynamism are clearly needed in order both to increase production and to improve living conditions and curb the exodus from rural areas. The main projects relate to:

(a) Integrated rural development of the Pool and Plateaux areas based on the promotion of co-operative groups; this project also has the long-term goal of paving the way for the extension to all regions of the activities which are devised;

(b) Assistance to new structures, particularly offices for food crops, coffee and cocoa to promote, supervise and market peasant production;

(c) Agricultural statistics.

A project is envisaged to expand and improve rural fish-farming.

12. The forest resources of the Congo have the potential to make a major contribution to the country's economic development. So far, however, the real impact of forestry development, in terms both of tax revenue and of general economic development, has been less than anticipated. UNDP assistance relates to institutional strengthening of forestry administration, including on-the-job training for local personnel, and promotion of the forestry sector's contribution to rural development and to the well-being of the population.

13. The second major segment (34 per cent) of the programme consists of a number of projects aimed at strengthening the planning and administrative capacity of the public sector: institutional support for the Ministry of Planning, establishment of a project design department, programming of the development of human settlements, reform of public administration, and training of middle-level personnel. In order to aid in the recovery of the State economic sector, the project of assistance to the National Management Centre (CENAGES), a structure established to help State enterprises with management, organization and production, will be continued. The objective of the project is to make the Centre fully operational through accelerated training of national staff.

14. The importance of the educational sector is greater than the proportion of resources allocated to it (8 per cent). UNDP assistance is designed to serve as a

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catalyst for a variety of national and external inputs to the implementation of the educational reform which was prepared and planned by the Government with UNDP assistance during the previous cycle.

15. The remaining resources are divided between two sectors - transport and communications (4 per cent) and natural resources (6 per cent) - which are of great importance for the country's development.

#### IV. Special development problems and needs of the country

16. As was noted by the Third Congress of the Congolese Labour Party, the Congolese economy, despite persistent efforts, has not been able to overcome the structural impediments inherited from the colonial era. The situation is characterized in particular by (a) an externally-oriented and imbalanced economy; (b) an excessively developed tertiary sector, owing primarily to the Congo's long-standing role as a transit country; (c) a declining industrial sector, which is based on import substitution; (d) a backward agricultural sector that is constantly declining; and (e) a poorly developed domestic market.

17. Circumstances, both external and domestic, hampered the implementation of the programmes of action which had been devised. In addition, short-comings emerged in the capacity to plan and monitor the programmes. The growth of gross domestic product reached 13 per cent a year in 1973-1974 as a result of an increase in oil production and prices, but the subsequent drop in oil production led to a crisis situation characterized by strained public finances resulting in high external and domestic indebtedness, a deterioration in the financial situation of national enterprises, a decline in the purchasing power of the population, migration from rural areas and worsening unemployment.

18. Beginning in 1979, economic activity gradually picked up and the financial situation showed some improvement owing, inter alia, to the upward turn in oil earnings. Nevertheless, the over-all situation continues to be affected by the difficulties outlined above.

#### V. Recommendation of the Administrator

19. In the light of the foregoing, the Administrator recommends that the Governing Council:

(a) Approve the UNDP programme for the Congo for the duration of the programme period and within the limit of the indicative planning figure for 1982-1986, taking into account the over-expenditure or under-expenditure of its 1977-1981 indicative planning figure; and

(b) Authorize the Administrator to proceed with appraisal and approval of action on requests for assistance falling within the outlines of the country programme while ensuring, in accordance with the decision of the Governing Council at its eighteenth session (E/5543/Rev.1, para. 31) that expenditures are kept in reasonable conformity with the relevant indicative planning figures and are contained within the financial resources currently available at any given time.